

AGREEMENT

Agreement made this 5<sup>th</sup> day of June 1998 between GARY MELIUS residing at One Country Road Carle Place, New York (Melius), and JOHN BORRELLO, residing at Queens, New York (Borrello).

1. The parties hereto have, from time to time, been associated in various businesses. It has come to Melius' attention that any such past business association, and if there would be any present business association, or any possible future business association with Borrello, or with any entity or party with whom Borrello was, is or may become associated directly or indirectly, in any manner whatsoever, may prove to be a serious impediment to obtaining approval of a license that will be required by Melius in order that he may become involved in any manner in the operation or management of a gambling casino. Accordingly, the parties hereto mutually agree to terminate any and all business relationships and alleged business relationships and any and all claims and alleged claims, relating to such business relationships or alleged business relationships which may exist or existed between and among each of them and/or any entity with which either party was associated directly or indirectly; and

(a) specifically including, but not exclusive of, any claim Borrello may have or alleges to have against Gary Melius, Nassau County Native Americans, Inc., and/or Native American Management Corp., involving any and all businesses or enterprises related directly or indirectly to the parties or to any such entities; and

(b) specifically with respect to any claims or alleged claims Borrello may have related directly or indirectly to the St. Regis Mohawk Tribe, The Shinecock Tribe, The Golden Hill



Paugeesukq Tribe, The Seminole Tribe, and/or The Eastern Pequot Tribe; and

(c) Specifically with respect to any claims or alleged claims Borrello may have relating directly or indirectly to the operation or management of a gambling casino on the Reservation of the St. Regis Mohawk Tribe in Hogansburg, New York, and/or on the Reservation of any other Indian tribe, including, but not limited to those tribes listed in subdivision (b) of this paragraph "1", and including but not limited to any phase of the construction of a casino, the operation of a restaurant or other food concessions and any ancillary services or concessions relating to the management or operation of a gambling casino.

(d) generally with respect to any claims or alleged claims Borrello may have relating directly or indirectly to any of the Indian tribes heretofore named in this Agreement, or any other business arrangements with Melius and/or any entity with which Melius was and is associated directly or indirectly.

2. Melius agrees (subject to the terms of this Agreement) to pay to Borrello the sum of Three Hundred Thousand (\$300,000.00) Dollars as follows: commencing upon completion of construction of said gambling casino the sum of Fifty Thousand (\$50,000) Dollars and thereafter the sum of Ten Thousand (\$10,000) Dollars a month for twenty-five (25) consecutive months.

3. If Borrello and/or any of Borrello's associates or entities with which Borrello and/or his associates is involved directly or indirectly communicates or attempts to communicate with Melius or any other persons or entities with which Melius is or may become associated or is or may be doing business (including any federal, state, county or city regulatory agencies), any such communication or attempted communication as aforesaid shall be deemed to be a material breach of this Agreement. Melius may commence an action or proceeding against Borrello, his

associates or entities as referenced in this paragraph and in this Agreement to recover from them and each of them the full amount of any monetary damages suffered by Melius as a result of the aforesaid acts of communication or attempted communication and/or the resultant loss of the license. Borrello's obligations under this Agreement, and this paragraph survive automatic termination of this Agreement, and the completion of payments by Melius to Borrello as required by the terms of this Agreement, if any.

4. This Agreement is personal to each of the parties and assignment or any attempt by either to assign their respective rights and obligations hereunder, shall be of no force and effect. In addition, if Borrello assigns or attempts to assign his rights and obligations hereunder, then and in that event this Agreement shall be automatically terminated, and any monies paid to Borrello hereunder prior to such termination will be returned to Melius by Borrello immediately after such termination and Melius will have no obligation to make further payments, if any, to Borrello as herein provided.

5. Any termination of this Agreement as referenced in paragraphs "4" and "5" hereof, as well as the completion of payment by Melius to Borrello, if any, as herein provided, shall automatically result and be deemed a release by Borrello, and any entity controlled directly or indirectly by Borrello of Melius, releasing and discharging Melius his heirs, executors, administrators, successors and assigns from all actions and causes of action whatsoever which against Melius and/or any entities with which Melius is associated directly or indirectly, Borrello ever had, now has, or hereinafter may have by reason of any matter, cause or thing whatsoever

from the beginning of the world to the day of the date of the termination of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the date first heretofore written.

Gary Melius

~~John~~ Vonnello

STATE OF NEW YORK)  
COUNTY OF NASSAU )ss:

On the 5<sup>th</sup> day of June, 1998, before me personally came Gary Melius, to me known to be the individual described in and who executed the foregoing Agreement and acknowledged that he executed the same.

Notary Public

RICHARD S. LANE  
Notary Public, State of New York  
No. 31-4941246  
Qualified in New York County  
Commission Expires Aug. 1, 1998

STATE OF NEW YORK )  
 )ss:  
COUNTY OF ALBANY )

On the 5<sup>th</sup> day of June, 1998, before me personally came John Borrello, to me known to be the individual described in and who executed the foregoing Agreement and acknowledged that he executed the same.

Notary Public

RICHARD S. LANE  
Notary Public, State of New York  
No. 31-4941246  
Qualified in New York County  
Commission Expires Aug. 1, 1971

John Borrello

PO Box 1180 Cook Road  
Hogansburg New York 13655

163 22 95th street  
Howard Beach New York 11414

Phone 718-843-3601

February 09, 2000

Mr Gary Melius  
NCNA inc

Dear Gary, I recived a 1099, From your office. Please Have the correct address installed on the form, it should read

Po Box 1180 cook rd Hogansburg N Y 13655 For future refence, Thank you so much.

And per our agreement ,Can you have your office send my wife the balance of the checks

14 (14) in all or if you like I'll Take one check for 100,000 and clear up our Business, Which ever you like, I really hope everything is going good for you with the casino, and with your family Take care gary.

FILE *M. Regal*  
*Borrello*

as always with respect  
John Borrello

*John Borrello*

\*\*\*\*\*  
\*\*\* RX REPORT \*\*\*  
\*\*\*\*\*

RECEPTION OK

TX/RX NO	5839	
CONNECTION TEL		7188488686
SUBADDRESS		
CONNECTION ID		
ST. TIME	02/10 07:43	
USAGE T	01'08	
PGS.	1	
RESULT	OK	

09/12/00

**NCNA**  
**Transaction Detail by Account**  
 January 1, 1999 through September 15, 2000

Type	Date	Num	Name	Clr	Split	Amount
NCNA						
Check	4/15/99	10268	John Borrello	X	PPD-Indian Exp	-25,000.00
Check	6/15/99	10269	John Borrello	X	PPD-Indian Exp	-5,000.00
Check	7/15/99	10278	John Borrello	X	PPD-Indian Exp	-10,000.00
Check	8/15/99	10279	John Borrello	X	PPD-Indian Exp	-10,000.00
Check	9/15/99	10280	John Borrello	X	PPD-Indian Exp	-10,000.00
Check	10/15/99	10281	John Borrello	X	PPD-Indian Exp	-10,000.00
Check	11/15/99	10282	John Borrello	X	PPD-Indian Exp	-10,000.00
Check	12/15/99	10283	John Borrello	X	PPD-Indian Exp	-10,000.00
Check	1/15/00	10284	John Borrello	X	Borelio	-10,000.00
Check	2/15/00	10285	John Borrello	X	Borelio	-10,000.00
Check	3/13/00	10357	John Borrello	X	Borelio	-10,000.00
Check	4/18/00	10747	John Borrello	X	Borelio	-10,000.00
Check	5/16/00	10746	John Borrello	X	Borelio	-10,000.00
Check	6/22/00	10744	John Borrello	X	Borelio	-10,000.00
Check	7/27/00	10739	John Borrello	X	Borelio	-10,000.00
Total NCNA						-160,000.00
<b>TOTAL</b>						<b>-160,000.00</b>

NCNA  
Find Report  
All Transactions

02/10/09

Type	Date	Num	Name	Account	Clr	Split	Amount
Check	01/19/1994	1664	John Borrello	NCNA	X	Borello	-75,000.00
Check	02/22/1994	1735	John Borrello	NCNA	X	Borello	-75,000.00
Check	03/22/1994	1806	John Borrello	NCNA	X	Borello	-5,000.00
Check	04/07/1994	1840	John Borrello	NCNA	X	Borello	-50,000.00
Check	04/21/1994	1866	John Borrello	NCNA	X	Borello	-10,000.00
Check	12/01/1995	2799	John Borrello	NCNA	X	Borello	-10,000.00
Check	01/02/1996	2910	John Borrello	NCNA	X	Borello	-10,000.00
Check	02/10/1996	2967	John Borrello	NCNA	X	Borello	-10,000.00
Deposit	02/15/1996	2967S	John Borrello	NCNA	X	Borello	10,000.00
Check	02/15/1996	2992	John Borrello	NCNA	X	Borello	-10,000.00
Check	03/14/1996	3022	John Borrello	NCNA	X	Borello	-10,000.00
Check	04/15/1996	3080	John Borrello	NCNA	X	Borello	-10,000.00
Check	05/04/1996	3115	John Borrello	NCNA	X	Borello	-5,000.00
Check	05/12/1996	3116	John Borrello	NCNA	X	Borello	-5,000.00
Check	05/31/1996	3146	John Borrello	NCNA	X	Borello	-2,500.00
Check	06/15/1996	3148	John Borrello	NCNA	X	Borello	-7,500.00
Check	07/01/1996	3174	John Borrello	NCNA	X	Borello	-5,000.00
Check	07/15/1996	3175	John Borrello	NCNA	X	Borello	-5,000.00
Check	08/10/1996	3196	John Borrello	NCNA	X	Borello	-5,000.00
Check	08/15/1996	3198	John Borrello	NCNA	X	Borello	-5,000.00
Check	08/26/1996	3211	John Borrello	NCNA	X	Borello	-5,000.00
Check	09/15/1996	3220	John Borrello	NCNA	X	Borello	-5,000.00
Check	09/15/1996	3221	John Borrello	NCNA	X	Borello	-5,000.00
Check	10/01/1996	3233	John Borrello	NCNA	X	Borello	-2,500.00
Check	10/07/1996	3235	John Borrello	NCNA	X	Borello	-2,500.00
Check	10/15/1996	3234	John Borrello	NCNA	X	Borello	-5,000.00
Check	11/15/1996	3258	John Borrello	NCNA	X	Borello	-10,000.00
Check	12/15/1996	3268	John Borrello	NCNA	X	Borello	-10,000.00
Check	01/14/1997	3290	John Borrello	NCNA	X	Borello	-5,000.00
Check	01/22/1997	3291	John Borrello	NCNA	X	Borello	-5,000.00
Check	02/06/1997	3303	John Borrello	NCNA	X	Borello	-5,000.00
Check	02/11/1997	3305	John Borrello	NCNA	X	Borello	-5,000.00
Check	03/15/1997	3313	John Borrello	NCNA	X	Borello	-5,000.00
Check	03/25/1997	3314	John Borrello	NCNA	X	Borello	-5,000.00
Check	04/15/1997	3330	John Borrello	NCNA	X	Borello	-5,000.00
Check	04/15/1997	3331	John Borrello	NCNA	X	Borello	-5,000.00
Check	05/15/1997	3507	John Borrello	NCNA	X	Borello	-5,000.00
Check	05/25/1997	3508	John Borrello	NCNA	X	Borello	-5,000.00
Check	06/15/1997	3518	John Borrello	NCNA	X	Borello	-5,000.00
Check	06/26/1997	3915	John Borrello	NCNA	X	Borello	-5,000.00
Check	07/28/1997	10002	John Borrello	NCNA	X	Borello	-5,000.00
Check	07/30/1997	10004	John Borrello	NCNA	X	Borello	-5,000.00
Check	08/18/1997	10026	John Borrello	NCNA	X	Borello	-5,000.00
Check	08/19/1997	10026	John Borrello	NCNA	X	Borello	0.00
Check	08/30/1997	10022	John Borrello	NCNA	X	Borello	0.00
Check	08/30/1997	10027	John Borrello	NCNA	X	Borello	-5,000.00
Check	09/15/1997	10033	John Borrello	NCNA	X	Borello	-5,000.00
Check	09/30/1997	10034	John Borrello	NCNA	X	Borello	-5,000.00
Check	10/01/1997	10040	John Borrello	NCNA	X	Borello	0.00
Check	10/15/1997	10043	John Borrello	NCNA	X	Borello	-5,000.00
Check	10/25/1997	10044	John Borrello	NCNA	X	Borello	-5,000.00
Check	11/15/1997	10054	John Borrello	NCNA	X	Borello	-5,000.00
Check	11/30/1997	10055	John Borrello	NCNA	X	Borello	-5,000.00
Check	12/15/1997	10068	John Borrello	NCNA	X	Borello	0.00
Check	12/15/1997	10073	John Borrello	NCNA	X	Borello	-5,000.00
Check	12/30/1997	10070	John Borrello	NCNA	X	Borello	0.00
Check	12/30/1997	10072	John Borrello	NCNA	X	Borello	-5,000.00
Check	04/15/1999	10268	John Borrello	NCNA	X	Borello	-25,000.00
Check	06/15/1999	10269	John Borrello	NCNA	X	Borello	-5,000.00
Check	07/15/1999	10278	John Borrello	NCNA	X	Borello	-10,000.00
Check	08/15/1999	10279	John Borrello	NCNA	X	Borello	-10,000.00
Check	09/15/1999	10280	John Borrello	NCNA	X	Borello	-10,000.00
Check	10/15/1999	10281	John Borrello	NCNA	X	Borello	-10,000.00
Check	11/15/1999	10282	John Borrello	NCNA	X	Borello	-10,000.00
Check	12/15/1999	10283	John Borrello	NCNA	X	Borello	-10,000.00

Page 1



02/10/00

**NCNA**  
**Find Report**  
**All Transactions**

Type	Date	Num	Name	Account	Clr	Split	Amount
Check	01/15/2000	10284	John Borrello	NCNA	X	Borello	-10,000.00
Check	02/15/2000	10285	John Borrello	NCNA		Borello	-10,000.00
<b>Total</b>							<b>-580,000.00</b>

NCNA  
Find Report  
June 1, 1998 through May 1, 2000

02/10/00

Type	Date	Num	Name	Memo	Account	Clr	Split	Amount
Jun 1, '98 - May 1, '00								
Check	04/15/1999	10263	John Borrello		NCNA	X	Borrello	-25,000.00
Check	06/15/1999	10269	John Borrello		NCNA	X	Borrello	-5,000.00
Check	07/15/1999	10278	John Borrello		NCNA	X	Borrello	-10,000.00
Check	08/15/1999	10279	John Borrello		NCNA	X	Borrello	-10,000.00
Check	09/15/1999	10280	John Borrello		NCNA	X	Borrello	-10,000.00
Check	10/15/1999	10281	John Borrello		NCNA	X	Borrello	-10,000.00
Check	11/15/1999	10282	John Borrello		NCNA	X	Borrello	-10,000.00
Check	12/15/1999	10283	John Borrello		NCNA	X	Borrello	-10,000.00
Check	01/15/2000	10284	John Borrello		NCNA	X	Borrello	-10,000.00
Check	02/15/2000	10285	John Borrello		NCNA		Borrello	-10,000.00
Jun 1, '98 - May 1, '00								<u>-110,000.00</u>